(b) whether Government are aware of the fact that most of the villages of the State are still deprived of electrification; and

(c) if so, by when all villages including Tonkon (a village) of the State are proposed to be electrified?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) During 2002-03, Rural Electrification Corporation (REC) received 3 rural electrification projects involving system improvement works from Uttaranchal Power Corporation Limited (UPCL) which were sanctioned by REC for a total loan assistance of Rs. 139.42 crores.

(b) According to Uttaranchal Power Corporation Limited, out of total 15664 villages, 12863 villages have been electrified as on 31.3.2003.

(c) Uttaranchal Power Corporation Limited (UPCL) has further informed that all the villages including Toks will be electrified by the end of 10th Plan (March, 2007).

Extending income tax holiday to KSEB

1886. SHRI N. K. PREMACHANDRAN: Will the Minister of POWER be pleased to state:

(a) whether in view of the declining trend of interest rate, Government proposed to swap the high interest rate loan availed for Kayamkulam Thermal Project and pass over the benefits to Kerala State Eelctricity Board;

(b) whether Government propose to limit the return on equity to 12 per cent against 16 per cent in power purchase agreement of NTPC Kayamkulam with KSEB;

(c) whether it is a fact that the NTPC is not extending the income tax holiday to KSEB; and

(d) whether Government propose to extend the benefit of tax holiday, if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (d) National Thermal Power Corporation (NTPC) has utilized loans from World Bank, External

†Original notice of the question was received in Hindi.

Commercial Borrowings and Domestic Borrowings for implementation of Kayamkulam Combined Cycle Power Project for which the average interest rate on the loans utilized works out to about 8% per annum.

The tariff for NTPC stations including Kayamkulam is determined by Central Electricity Regulatory Commission (CERC).

Under the existing dispensation 16 per cent post tax return on equity is allowed with actual tax liability being borne by the consumers.

Prior to 31.03.2001, the incidence of tax liability after taking into account rebate, tax holiday etc. under the Income Tax Act was being computed for entire company and was being allocated to the respective power stations in proportion to the operating capacity. Subsequently, CERC vide its notification during 2001 have issued tariff norms to be applicable for tariff period from April, 2001 to March, 2004 and as per these norms, income tax liability shall be computed station wise after allowing benefits etc., as per provisions of Income Tax Act to the respective stations. However, CERC vide its subsequent orders have extended upto 30.09.2003 the pattern of billing charges prior to 31.03.2001 subject to retrospective adjustment on the determination of tariff by CERC with effect from 1.04.2001. NTPC has been billing Income Tax etc., accordingly as per the directions of CERC.

Setting up of water treatment plants

†1887. SHRI LAJPAT RAI:
SHRI RAJIV RANJAN SINGH "LALAN":

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government has formulated any scheme to promote the setting up of water treatment plants so as to improve the quality of potable water in the country;

(b) if so, what are the outlines of that scheme;

(c) which are the States of the country where this scheme has been implemented so far; and

†Original notice of the Question was received in Hindi.